

Decision **DRAFT DECISION OF ALJ O'DONNELL** (Mailed 8/19/2002)**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Southern California Gas Company for Authority to Modify and Make Permanent Its Requirements for Contractors Installing Earthquake Valves on Its Facilities, and to Modify Charges for SCG's Valve Installation and Related Services.

Application 99-05-044
(Filed May 28, 1999)

O P I N I O N**1. Summary**

In Decision (D.) 00-06-038, in this proceeding, the Commission stated that Southern California Gas Company (SCG) is responsible for ensuring the safety of automatic earthquake shut-off valves (EQVs) installed on its side of the gas meter.¹ The Commission did not resolve SCG's underlying application to change the rules governing independent contractors' installation of EQVs, and increase its rates for inspecting such contractors' work. SCG was allowed, upon consideration of D.00-06-038, to file a new application, supplement this application, or proceed with this application as filed. As a result, SCG filed Application (A.) 00-07-040 to, among other things, discontinue installation of EQVs on its side of the meter. In D.01-11-068, the Commission granted SCG authority to discontinue new EQV installations. As a result, this application to

¹ EQVs automatically shut off gas service in the event of an earthquake.

change the rules governing independent contractors' installation of EQVs, and increase rates for inspections is moot, and we close this proceeding.

2. Discussion

In D.96-09-044, the Commission approved SCG's proposal to grant contractors permission to install EQVs on its side of the meter, subject to certain conditions. In D.98-08-032, the Commission modified the EQV installation requirements adopted in D.96-09-044 at SCG's request. The new requirements: (1) designated the type of contractor's license required; (2) specified insurance requirements; (3) increased training requirements; (4) implemented a quality assurance and recordkeeping system; (5) addressed compliance with U.S. Department of Transportation rulings; and (6) prescribed operating parameters for contractors working on SCG's side of the meter.

The Commission adopted the modified requirements on an interim basis until May 31, 1999, unless SCG filed an application prior to that date seeking to make the interim rules permanent. The Commission stated that the interim rules would remain in effect while the Commission considered SCG's application. Prior to the May 31, 1999 deadline, SCG filed this application to modify and make the interim rules permanent.

In D.00-06-038, the Commission said that SCG is responsible for ensuring the safety of EQVs installed on its side of the gas meter.² The Commission did not resolve the underlying application to change the rules governing independent contractors' installation of EQVs, and increase its rates for inspecting such contractors' work. The Commission allowed SCG, upon

² Interim opinion.

consideration of D.00-06-038, to file a new application, supplement this application, or proceed with this application as filed. SCG chose to file a new application.

On July 24, 2000, SCG filed A.00-07-040 to, among other things, discontinue installations of EQVs on its side of the meter. In D.01-11-068, the Commission granted SCG authority to discontinue new installations, and to establish or raise rates pertaining to existing EQVs.

This application was filed to address rules for new EQV installations, and to set rates for inspecting such installations. Since SCG has been authorized to discontinue new installations, the application is moot. We will close the proceeding.

3. Comments on Draft Decision

The draft decision of the ALJ in this matter was mailed to the parties in accordance with Pub. Util. Code § 311(g)(1) and Rule 77.7 of the Commission's Rules of Practice and Procedure.

Findings of Fact

1. In D.00-06-038, the Commission stated that SCG is responsible for ensuring the safety of EQVs installed on its side of the gas meter, but did not resolve SCG's underlying application to change the rules governing independent contractors' installation of EQVs, and increase its rates for inspecting such work.

2. In D.01-11-068, the Commission granted SCG authority to discontinue installation of EQVs on its side of the meter, and establish or raise rates pertaining to existing EQVs.

Conclusions of Law

1. This application is moot.
2. This proceeding should be closed.

O R D E R

IT IS ORDERED that Application 99-05-044 is closed.

This order is effective today.

Dated _____, at San Francisco, California.